

# THE DECLINE OF THE MEDIA INDUSTRY

Media has had a rough time of it recently. With bookstores going out of business and new regulations attempting to restrict online content, things are definitely changing. Just how much remains to be seen.

## THE NEWSPAPER INDUSTRY

One of the longest-running forms of media is in trouble.

### NEWS-PAPERS

were once a staple in every household, but that's just not true today.

Advertising revenues dropped by **44.24%** in just **4 years.** <sup>(1)</sup>

2005	\$49.435 BILLION <sup>(2)</sup>
2006	\$49.275 BILLION <sup>(3)</sup>
2007	\$45.375 BILLION <sup>(4)</sup>
2008	\$37.848 BILLION <sup>(5)</sup>
2009	\$27.564 BILLION <sup>(6)</sup>

Between 2007 and 2010,

**13,500** newspaper journalists lost their jobs. <sup>(7)</sup>



U.S. newsrooms have lost

**25%** of their full-time staff. <sup>(8)</sup>

Full-time staff levels are lower than they have been since the 1970s. <sup>(9)</sup>

**2008-2009** saw the largest drop in staff in a 12-month period, but this has now slowed. <sup>(10)</sup>

Citizen journalism, locals reporting on their own news, is on the rise. <sup>(11)</sup>

**Just 40%**

of people read a newspaper online or in print, and of those:

**41%** read online

**31%** read print papers <sup>(12)</sup>

## THE PRINTED BOOK

Over the past couple of years, dozens of bookstores have gone out of business, including large chains like Borders.

### WHAT IS GOING ON?

#### THE DEMISE OF BOOKSTORES

- First, mega-bookstores wiped out most smaller bookshops. <sup>(13)</sup>
- Then mega-bookstores began to go out of business. <sup>(14)</sup>
- Barnes and Noble is the last big chain to remain. <sup>(15)</sup>

#### WHAT HAPPENED?

- Amazon now sells more e-books than print books. The last known ratio was 115 e-books for every 100 print. <sup>(16)</sup>
- The 3rd generation Kindle is the bestselling product ever on Amazon. <sup>(17)</sup>
- Originally for adults, e-readers are becoming more popular with younger readers now. <sup>(18)</sup>

**25%** of young adult book sales at Harper Collins were e-books in January 2012. <sup>(19)</sup>

## THE VIDEO INDUSTRY

While the actual movie may not be in danger, we've already seen a decline in video rental stores.

### IS THE WRITING ON THE WALL?

Netflix, an online streaming video service, predicts that DVDs will be obsolete by **> 2030.** <sup>(20)</sup>

The company has moved almost entirely to streaming video. <sup>(21)</sup>

In 2009, the company saw an **18%** drop in revenues in the U.S. <sup>(22)</sup>

**Blockbuster** shut down all stores in Canada. <sup>(23)</sup>

**In 2010, Hollywood Video** went bankrupt. <sup>(24)</sup>

## SOPA

It is becoming obvious that digital is the way to go, and the Internet is now the source of much of our media... but even that is in danger.

### SOPA = Stop Online Piracy Act <sup>(25)</sup>

#### THE IDEA:

To crack down on online piracy and copyright infringement by preventing access to websites that host and aid the transfer of pirated materials. <sup>(26)</sup>

Sites like Pirate Bay would be **shut down or blocked.** <sup>(27)</sup>

### TWO SIDES TO THE STORY

While Congress pushes for passing **SOPA** and its sister act, **PIPA**, others say it **will destroy the Internet as we know it.** <sup>(28)</sup>

Opponents feel SOPA will **destroy the online economy.** <sup>(29)</sup>

Because neither **SOPA** nor **PIPA** clearly defines what constitutes copyright infringement, it leaves the door open to affect virtually any company. <sup>(30)</sup>

**Malicious claims** could disable websites that aren't really infringing at all. <sup>(31)</sup>

## WAIT, ISN'T THAT ALREADY ILLEGAL?

### 1998 Digital Millennium Copyright Act

- This act protects against copyright infringement. <sup>(32)</sup>
- It does not protect from overseas infringement. <sup>(33)</sup>

### EVERYTHING IS CHANGING.

Media has always been a very flexible medium, and with the Internet, it is becoming more and more difficult to control. **Where will things end up?**

Time will tell.

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